



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

November 26, 2008

The Honorable Bill Hardiman, Chair  
Senate Appropriations Subcommittee on DHS  
Michigan State Senate  
Lansing, MI 48933

The Honorable Dudley Spade, Chair  
House Appropriations Subcommittee on DHS  
Michigan House of Representatives  
Lansing, MI 48933

Dear Senator Hardiman and Representative Spade:

Section 902(3) of 2007 Public Act No. 131 requires the Department of Human Services (DHS) to submit semi-annual reports to the legislature on expenditures and improvements made as a result of this section of the appropriations act.

Please accept this letter as the DHS's second semi-annual report for fiscal year 2008. The Michigan Arrearages Collection Special Project which provided the funding for improvements to the Michigan Child Support Enforcement System (MiCSES) ended in FY2006. All of the funds generated by this one time project were spent in FY2006 and the first two quarters of FY 2007; no remaining funds exist in FY 2008.

With regard to improving child support collections, DHS now has a contract in place with Public Consulting Group (PCG) to enhance collections in Muskegon County. This pilot project with the Muskegon County Friend of the Court (FOC) refers to PCG all child support cases that have not received a payment in over 90 days. Payments to PCG will be based on the amount of increase in TANF recoveries generated through this pilot. Once the pilot is completed, an evaluation of the project will determine what changes, if any, are necessary and if the project should be expanded to other counties. We expect to have our first opportunity to review results in the coming months.

The Office of Child Support is also working with the Department of Management and Budget on an Request For Proposal for another pilot project for collection of child support arrearages. A contract was recently awarded to GC Services to provide collection services to Calhoun County Friend of the Court. This pilot will have GC Services attempt collection on all Calhoun County child support cases which have

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not received a payment in over six months. We expect to begin the pilot in early 2009.

If you have any questions, please contact John Sorbet, chief administrative officer, DHS, at (517) 373-7787.

Sincerely,

A handwritten signature in black ink that reads "Ismael Ahmed". The signature is written in a cursive style with a large initial 'I'.

Ismael Ahmed

c: Senate and House Appropriations Subcommittees on DHS  
Senate and House Fiscal and Policy Offices  
State Budget Director